

August 6, 2012

Postal Regulatory Commission  
901 New York Ave NW, Suite 200  
Washington, DC 20268

Reference: PRC Docket # MC2012-26

Dear Commissioners,

I am the owner of a small UPS Store in Palm Harbor, employing 4 people from our community.

I am writing to ask that you disallow the United States Post Office's (USPS) "enhanced" services to Post Office Box customers, specifically:

The USPS has created a situation where the USPS holds a competitive advantage over the Private Mailbox (PMB) industry, which they regulate. As anyone who has been living under the Commercial Mail Receiving Agency (CMRA) regulations knows there are a number of rules that impact MPC's that the USPS would not be subject to. The following is just a few of them:

The use of the # sign was assigned by the USPS, as the required symbol to designate the address as a CMRA. The USPS has now adopted the # for street addressing for the PO Boxes. Many PO Boxes recipients are unable to obtain credit cards because many issuers will not issue a credit card to a PO Box address. Some merchants will not ship merchandise to PO Boxes because of the high incidence of fraud. By allowing PO Boxes to use a street address the USPS is helping to perpetuate fraud against businesses by helping to mask the true address of the recipient. The USPS adoption of the street addressing with the # designations will paint us with the same potential fraud brush that PO Boxes currently have.

Street addressing and non-USPS package acceptance involves a number of procedures. Acceptance, storage, notification, accountability and liability are just some of the issues that come to mind. The USPS has a cost for everything. From accepting a package to moving it to a secure area, to transferring to the box holder. These procedures and the associated costs have not been identified or accounted for. They may very well eat up the entire 25% increase in Competitive PO Box fees. We don't know because they have not been promulgated or evaluated by the PRC, the Public Representative or the general public.

The CMRA regulations do not permit CMRA's to forward mail without adding additional postage. The Competitive PO Boxes are now being offered with mail forwarding services. Every individual and business in this country including prisoners and college students have free mail forwarding. CMRA's and their customers must add additional postage. The USPS actually saves money when delivering mail to a CMRA. I receive mail for almost 200 Private Mailboxes. That is a lot of mail sorting and delivering the USPS doesn't have to do.

In this era of credit card fraud and identity theft the USPS requires CMRA's to hold the mail for a period of 6 months, on closed mailboxes, before we are allowed to "Return to Sender". Additionally we are required to stamp the following on every piece of returned mail "Undeliverable, Commercial Mail Receiving Agency. No Authorization to receive mail for this addressee". Holding the mail gives ID thief's a 6 month head start before the issuer knows that they have moved.

Email notification, is a new service that the USPS has added to the Competitive PO Box product offering. This is a new service and entails a number of additional steps for the USPS to notify recipients of the mail being placed in a Competitive PO Box. They have not accounted for these actions to prove they meet the financial requirements and disclosures. These costs and liabilities must be outlined and documented.

While many of these services are standard fare in a Mail and Parcel business they are not necessarily what the bargain hunting PO Box customers are looking for. The USPS reported that, in the first 6 months of 2012, 66,000 Competitive PO Box users dropped out when the rates went up 25%.

These new business practices place the United States Postal Service in direct and unequal competition with thousands of small businesses across the country. For most store owners like me, our businesses are privately owned and represent the sole source of our income. In many cases, we have financed the purchase of the business with loans secured by our homes. This new form of competition from the USPS will result in significant loss of revenue and damage to my business. That will threaten not only my home, but also the jobs of the people I employ.

As a Commercial Mail Receiving Agency (CMRA), our business is regulated and inspected by the USPS. There is no other enterprise in our society where one competitor can regulate another, even to the point of requiring them to turn over their customer list on a quarterly basis.

As a CMRA, we operate under other unfair rules, such as the ability of a postal customer to change his address from a PO Box to another address with a simple "Change of Address" form, while customers of a CMRA such as my store are prohibited from doing so. When a CMRA mailbox customer moves, we are required by the USPS to receive the customer's mail for six months following termination and cannot re-mail it without paying for new postage.

As noted in PRC Order No. 1366, "the Postal Service has not submitted an appropriate filing that describes the nature and implementing rules for these enhanced services." The USPS failed to follow the rules in rolling out these new services, and made a unilateral decision and executed it without the necessary filings. What the USPS is doing is fundamentally wrong. A financially viable Post Office is an important part of our business, but not at our expense. I cannot sit by and watch the USPS launch a series of products and services specifically designed to take our customers. A relationship with the USPS is a careful balance of competition and support, and in this instance they have tipped the scales.

Thank you for your time and kind attention to this matter. Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

Paul Steger  
The UPS Store #1249  
334 East Lake Rd.  
Palm Harbor, FL 34685  
727-786-1929  
Store1249@theupsstore.com